BUSINESS MEETING

BEFORE THE

CALIFORNIA ENERGY RESOURCES CONSERVATION

AND DEVELOPMENT COMMISSION

CALIFORNIA ENERGY COMMISSION

HEARING ROOM A

1516 NINTH STREET

SACRAMENTO, CALIFORNIA

WEDNESDAY, OCTOBER 06, 2004

10:00 A.M.

Reported by: Peter Petty Contract No. 150-04-001

COMMISSION MEMBERS PRESENT

James D. Boyd, Commissioner

John L. Geesman, Commissioner

Jackalyne Pfannenstiel, Commissioner

STAFF PRESENT

Bill Chamberlain, Chief Counsel

Bob Therkelsen, Executive Director

Nick Bartsch

Nancy Tronaas

Jane Heinz

Daryl Mills

Jason Orta

Cecile Martin

Kristy Chew

Martha Brook

Leigh Stamets

Caryn Holmes

ALSO PRESENT

Stan Hazelroth, CA Infrastructure and Economic Development

Steven Kelly, IEP

Jeff Harris Ellison, Schneider & Harris L.L.P.

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PETERS SHORTHAND REPORTING	CORPORATION	(916)	362-2345

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10:00 a.m

- 3 CHAIRPERSON BOYD: Thank you everybody.
- 4 As you see, you are operating with a bare quorum
- 5 up here today. You've got to dip down the pecking
- 6 order to find a chairman even. Anyway, thank you
- 7 all for being here.
- I would first like to review the agenda.
- 9 I mentioned some changes. Item 3 has been
- 10 deferred to the October 20 meeting. As you noted,
- 11 we have added items 18 and 19. The notice is
- 12 posted on the front door, and I was just advised
- 13 that item 18 is now deferred to October 20. It
- 14 will be my intention to take up item 19, really it
- is like item 11 before we get to the housekeeping
- 16 items.
- 17 Lastly with regard to agenda
- 18 corrections, item 1 (a), I am advised that the
- 19 dollar amount there for the second, the Lake
- 20 Arrowhead Transportation item, the dollar amount
- 21 should read \$2,000, not the \$5,000.
- 22 With that, I believe we have covered all
- 23 the changes to the agenda. So, I would like to
- open up with agenda item 1, the consent calendar.
- 25 Any questions or a motion?

1 COMMISSIONER GEESMAN: So moved, Mr.

- 2 Chairman.
- 3 (Thereupon, the motion was made.)
- 4 COMMISSIONER PFANNENSTIEL: I second.
- 5 (Thereupon, the motion was seconded.)
- 6 CHAIRPERSON BOYD: All in favor say "I"?
- 7 (Ayes.)
- 8 CHAIRPERSON BOYD: It passes three to
- 9 nothing. Thank you.
- 10 Item 2, LaPaloma Generating Project,
- 11 review of a petition intended to clarify start up-
- 12 shut down parameters, increase start up NOx hourly
- 13 emission limits, clarify ammonia injection
- 14 requirements and other changes that affect air
- quality conditions of certification. Nancy
- 16 Tronaas.
- MS. TRONAAS: These proposed
- 18 modifications to the La Paloma Generating Project
- include clarifying the definition of start up for
- 20 consistency with vendor recommendations for
- 21 turbine and operational efficiencies. Also allows
- for SCR ammonia injection at lower temperatures
- 23 and allows for increasing the one hour NOx limits
- 24 to allow for all four turbines to start up in the
- 25 same time frame with no increase in daily or

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1 annual emissions.
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- 2 In general, the modifications proposed
- 3 will allow for more efficient and flexible
- 4 operating scenarios. The San Jouquin Valley Air
- 5 District has revised their permits to reflect
- 6 these changes.
- 7 Commission staff has determined there
- 8 will be no significant unmitigated impacts from
- 9 the proposed changes, and we recommended
- 10 revisions to the air quality conditions of
- 11 certification. We have not received any comments
- from the public on these proposed changes. We
- 13 believe the findings of section 1769 can be made,
- 14 and we recommend approval.
- 15 CHAIRPERSON BOYD: Thank you.
- 16 COMMISSIONER GEESMAN: Mr. Chairman.
- 17 CHAIRPERSON BOYD: Mr. Geesman.
- 18 COMMISSIONER GEESMAN: This item was
- 19 reviewed by the Siting Committee, and I would
- 20 recommend approval and so move.
- 21 CHAIRPERSON BOYD: Motion.
- 22 (Thereupon, the motion was made.)
- 23 COMMISSIONER PFANNENSTIEL: Second.
- 24 (Thereupon, the motion was seconded.)
- 25 CHAIRPERSON BOYD: And a second. Any

- 1 question? All in favor?
- 2 (Ayes.)
- 3 CHAIRPERSON BOYD: Any opposed?
- 4 The ayes have it three to nothing.
- 5 Thank you very much.
- 6 Item 4, Energy Efficiency Revenue Bond
- 7 Program. Consideration and possible approval of a
- 8 transfer of rights and responsibilities from the
- 9 Power Authority to the California Infrastructure
- 10 and Economic Development Bank regarding Energy
- 11 Efficiency. Jane Heinz.
- MS. HEINZ: Good morning. Staff is
- 13 requesting this transfer of financing authority,
- 14 responsibilities, and rights due to the fact that
- 15 CPA budget has been cut so severely, and in order
- 16 to be responsible to our bond holders, etc., we
- 17 are recommending that move be made or transfer be
- made to the I Bank or Infrastructure Bank.
- 19 Also in the enabling legislation for the
- 20 Eco Program, the I Bank is the only other
- 21 financing authority that is stated to take over
- 22 conduit financing authority.
- 23 Stan Hazelroth is here from the I Bank
- 24 to make some comments or answer any questions you
- 25 might have, and I'd like to introduce him a little

1 bit later. I wanted to give you a bit of context

- 2 about the program. That is that in April 2003
- 3 when the bonds were issued, we thought it would
- 4 take about two years to loan the money out.
- 5 Within twelve months that happened, and we had a
- 6 little hiccup and another loan was made about.
- 7 So, a total of fourteen months, \$28 Million went
- 8 out the door for approximately 28 to 30 projects.
- 9 In terms of status, all the
- 10 administrative details have been taken care of,
- 11 the annual audit that is required, the disclosure
- 12 statement to the trustee or the State Treasurer's
- 13 Office, and the rebate arbitrage calculation has
- 14 been made as well.
- Three payments have been made for over
- 16 \$28 Million or payments on the loan for \$28
- 17 Million. I believe it is about \$4 Million that
- 18 has been made according to the debt service
- 19 schedule to the trustee or the State Treasurer's
- 20 Office.
- In terms of due diligence, staff has
- 22 completed all of the background work with the
- 23 private bond counsel and our CEC legal office
- 24 along with CPA representatives and Power Authority
- 25 representatives, the Infrastructure Bank, etc.

1 The State Treasurer's Office Trustee

- 2 Team and bond counsel have provided an opinion
- 3 that there are no adverse impacts on current bond
- 4 holders because of this transfer.
- 5 Moody's Bond Rating Agency has provided
- 6 a letter through the Treasurer's Office to us
- 7 stating that the bond rating will be unaffected.
- 8 It is currently at a AA3. Our bond team will be
- 9 consistent due to the fact that contracts have
- 10 been established between the Energy Commission and
- 11 those entities directly. That's the bond team,
- 12 the auditor, the rebate arbitrage specialist, and
- 13 also financial advisor.
- One other thing that this transfer is
- 15 going to allow us to do is amend a couple of the
- documents and one would be something that the
- 17 Finance Branch here at the Energy Commission
- 18 really was happy to see happen. That was that
- 19 five of the seven sub-accounts would be under the
- 20 Energy Commission's control and enable us to
- 21 streamline some of our reporting requirements and
- 22 financial dealings.
- 23 In terms of the resolutions from the
- 24 other voting bodies being the Infrastructure Bank
- 25 and the cpa, the Infrastructure Bank voted about a

week ago to accept the transfer of authority

- 2 contingent upon CPA's approval.
- 3 CPA will be meeting on the 12th. Their
- 4 meeting has been set over a few times due to some
- 5 internal scheduling conflicts, etc. with their
- 6 commissioners, but we don't see any problems there
- 7 for them to approve the transfer.
- 8 At this point, I would like to introduce
- 9 Stan Hazelroth from the I Bank to make some
- 10 comments.
- 11 MR. HAZELROTH: Thank you very much, Mr.
- 12 Chairman and members of the Commission.
- The Infrastructure Bank is excited about
- 14 participating in this program. We have since the
- inception of the bank, we have reached our \$10
- 16 billion mark this year in terms of financing
- 17 conduit financing for a variety of State of
- 18 California programs.
- 19 We are Governor Schwarzenegger's one
- 20 sort of general purpose financing authority. The
- 21 name "Infrastructure and Economic Development
- 22 Bank" becomes a little bit deceptive as we have
- 23 branched out into leveraging the Clean Water
- 24 Program. We are working now on tribal gaming. We
- just did SIGA for the Insurance Guarantee

1 Association, which involved worker's comp. We

- 2 have worked on a pass financing for the Bay
- 3 Bridge, a seismic retrofit program, and we are
- 4 constant contact about what's to be done for the
- 5 next phase of that as costs become a little
- 6 allusive.
- 7 Anyway, we have a lot of experience in a
- 8 variety of different leveraging and financing
- 9 programs, and we are happy to be of assistance
- 10 here and work with your staff.
- I should say that many times we come in
- 12 to leverage an existing revolving fund or program
- that can become a upper involving fund program,
- 14 and we find that sometimes it is a challenge to
- 15 put the documentation together, put the right
- 16 types of details into each loan file and
- everything, but we have been discussing with your
- 18 staff for some time the fundamental pieces of the
- 19 program, and they have done an excellent job in
- 20 setting up this program, monitoring it, and
- 21 keeping it going forward. This actually looks
- 22 like a pretty easy assignment working with them.
- 23 CHAIRPERSON BOYD: I'm glad to hear
- 24 that. We have a willing recipient and a seemingly
- 25 seemless process involved there, and so that's

- 1 very good. Thank you very much.
- MS. HEINZ: At this point, we would like
- 3 to ask for your approval on the transfer of
- 4 authority.
- 5 CHAIRPERSON BOYD: Any questions or --
- 6 COMMISSIONER GEESMAN: I have a
- 7 question. This may be a legal question more than
- 8 anything else. When we entered in to the
- 9 transaction, I believe there was a covenant made,
- 10 and I don't know if we made the covenant or the
- 11 Power Authority did to meet the continuing
- 12 disclosure requirements that federal securities
- 13 laws impose.
- I don't see that continuing disclosure
- obligation mentioned or described in the
- 16 resolution, but I would presume that because of
- 17 this transfer, a disclosure will in fact have to
- 18 be made to one of the information repositories.
- 19 Can you tell me whose responsibility that is and
- 20 provide some assurance that disclosure will
- 21 actually be made?
- MS. HEINZ: I am going to try and answer
- 23 that, and I can ask Daryl Mills to come up and
- 24 give a comment about that too.
- 25 All of those bond documents, the bond

1 indenture, the secured loan agreement, etc., they

- 2 have all been amended to reflect this change. I
- 3 believe that it is in the bond indenture, and I
- 4 think also the secured loan agreement where it
- 5 describes your duties. One of those is to make
- 6 the filings for the annual disclosure report to
- 7 the trustee or the Treasurer's Office, and then I
- 8 believe that goes out to the different bond
- 9 holders, etc.
- 10 COMMISSIONER GEESMAN: That's an Energy
- 11 Commission responsibility?
- MS. HEINZ: Correct.
- 13 COMMISSIONER GEESMAN: Okay.
- MS. HEINZ: Right. That was filed I
- 15 believe in June I think we filed that.
- MR. MILLS: Yes. Continuing disclosure.
- 17 CHAIRPERSON BOYD: Daryl, identify
- 18 yourself.
- 19 MR. MILLS: I am Daryl Mills, Public
- 20 Programs Office. The continuing disclosure report
- 21 is filed by the Energy Commission to the trustee
- 22 annually. The trustee submits all continuing
- 23 disclosure reports from all state bonds on April
- 1st of each year, so we file ours approximately
- 25 February 15 with the State Treasurer's Office.

1 We have submitted one, we will be

- 2 submitting another one around January.
- 3 COMMISSIONER GEESMAN: This transfer
- 4 doesn't change the responsibility for doing that?
- 5 MR. MILLS: No.
- 6 COMMISSIONER GEESMAN: Mr. Chairman, I
- 7 would move approval.
- 8 (Thereupon, the motion was made.)
- 9 CHAIRPERSON BOYD: There's been a
- 10 motion.
- 11 COMMISSIONER PFANNENSTIEL: Second.
- 12 (Thereupon, the motion was seconded.)
- 13 CHAIRPERSON BOYD: Second. All in favor
- 14 say aye?
- 15 (Ayes.)
- 16 CHAIRPERSON BOYD: Any opposed?
- The ayes have it three to nothing.
- 18 Thank you very much. Again, it sounds
- 19 like we all look forward to a seemless and legal
- 20 transfer responsibility.
- 21 Item 5, Reconciliation of Retailer
- 22 Claims, 2003 Report. Possible approval of the SB
- 23 1305 report.
- MR. ORTA: Yes, hi. I'm Jason Orta, the
- 25 principle author of that report. The

1 Reconciliation of Retailer Claims 2003 Report is a

- 2 report that measures the program strength of the
- 3 power source disclosure program that was created
- 4 by SB 1305 of 1997.
- 5 This report reconciles specific purchase
- 6 claims made by retail electric providers with
- 7 actual generator production. It shows program
- 8 growth, and also new to this report this year is
- 9 an appendix that serves as a report card if you
- 10 will that measures program compliance.
- 11 Program compliance includes everybody
- 12 has to submit power of content labels on a
- 13 quarterly basis. Those who claim specific
- 14 purchases on their labels or on any other
- 15 marketing materials have to submit annual reports
- detailing their claims to the Commission.
- 17 This report card shows that for 2003, 23
- 18 retail providers claim specific purchases, 22 of
- 19 those actually submitted annual reports to us.
- Two other companies which we refer to as power
- 21 pools also submitted annual reports to us.
- We did receive two additional annual
- 23 reports over the last month, and that puts up our
- 24 specific purchases total to 103,241 gWh of
- 25 specific purchases claimed of which 16,418 gWh of

- 1 those claims are renewable. 374 generating
- 2 facilities were claimed, and these generating
- 3 facilities produced 224,289 gWh.
- 4 Out of 53 retail providers, 43 retail
- 5 providers submitted power content labels, 41 of
- 6 those submitted quarterly labels while there were
- 7 two others that just submitted annual labels.
- 8 Out of the 41 providers that submitted
- 9 power content labels, 21 of those claimed net
- 10 system power, while 20 of them made claims on
- 11 their quarterly labels. We have also received
- 12 retail providers that make specific claims are
- 13 supposed to send an annual true up label, which
- uses the most recent net system power, the 2003
- 15 net system power to calculate their fuel mix, and
- we have received 14 of those.
- We sent out a draft of this report in
- 18 early September. It has been a very positive
- 19 responses by retail providers. They have been
- 20 very helpful in getting us additional labels, and
- 21 we are also able to pick up two additional annual
- 22 reports.
- Over 98 percent of all retail sales,
- 24 customers of those that are represented by those
- 25 sales have received power content labels. Right

1 now, roughly 50 percent of California's retail

- 2 electric sales are represented by specific
- 3 purchases, and that is a number that we expect to
- 4 increase next year.
- 5 So, based on these findings, there is
- 6 enough generation to meet the claims that were
- 7 made by retail providers, and the appendix, that
- 8 is the report card that shows program compliance
- 9 shows progress made by retail providers in meeting
- 10 the program requirements, and I am seeking the
- 11 Commission's approval of this report.
- 12 CHAIRPERSON BOYD: Thank you, Jason. I
- 13 commend the staff for their report card, and I
- 14 think that is a positive piece of progress having
- 15 watched this program for the two plus years that
- 16 I've been here. I think it is now revealing even
- more information to the public, which I think is
- 18 certainly a responsibility of ours. Thank you.
- Any questions, comments, or discussion?
- 20 COMMISSIONER GEESMAN: This may be a
- 21 question for Cece, but is the clean up on SB 1305
- 22 included as --
- 23 CHAIRPERSON BOYD: Cecile, are you
- 24 listening?
- 25 COMMISSIONER GEESMAN: Is the clean up

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1 of SB 1305 included among our legislative
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- 2 initiatives? We have the on going problem with
- 3 net system power as an increasingly unworkable
- 4 concept.
- 5 MS. MARTIN: Yes, it is. It is one of
- 6 our proposals, and that is what I was discussing
- 7 with Drake Johnson whether or not we should
- 8 include that 50 percent number.
- 9 COMMISSIONER GEESMAN: With the
- 10 understanding that we are going to attempt once
- 11 again to have the legislature address the
- increasingly misleading nature of the concept of
- 13 net system power, I would move approval.
- 14 (Thereupon, the motion was made.)
- 15 COMMISSIONER PFANNENSTIEL: I'll second.
- 16 (Thereupon, the motion was seconded.)
- 17 CHAIRPERSON BOYD: There has been a
- 18 motion and a second.
- 19 All in favor?
- 20 (Ayes.)
- 21 CHAIRPERSON BOYD: Any opposed?
- The ayes have it three to nothing.
- 23 Thank you, and I also, we all wait patiently for
- 24 improvement in that overriding question.
- Thank you staff.

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1 Item 6, Siting Rulemaking OIR,
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- 2 consideration and possible adoption of an Order
- 3 Instituting Rulemaking to adopt, amend, and repeal
- 4 various regulations pertaining to the Energy
- 5 Commission's Rules of Practice and Site
- 6 Certification. Ms. Kristy Chew.
- 7 MS. CHEW: Good morning, Commissioners.
- 8 My name is Kristy Chew, I am with the Siting
- 9 Division. Staff has begun working on amending the
- 10 regulations governing the rules of practice in
- 11 site certification.
- 12 Currently, staff plans to address the
- 13 following subject areas in this proceeding. The
- 14 first one is regulations governing the six month
- 15 siting process.
- The second item is critical changes to
- 17 the twelve month data adequacy regulations.
- 18 Included in that would be data adequacy
- 19 regulations for plants within the coastal zone.
- 20 Staff is working with the Coastal Commission staff
- 21 on developing these regulations.
- The third item is administrative
- 23 procedure act conformity.
- 24 The fourth item are any other changes
- 25 that are raised by Committee, staff, or the public

- 1 during this proceeding.
- 2 COMMISSIONER GEESMAN: Mr. Chairman, we
- 3 reviewed this in the Siting Committee. I would
- 4 recommend approval to get the process started.
- 5 (Thereupon, the motion was made.)
- 6 CHAIRPERSON BOYD: I have a motion from
- 7 Commissioner Geesman.
- 8 COMMISSIONER PFANNENSTIEL: Second.
- 9 (Thereupon, the motion was seconded.)
- 10 CHAIRPERSON BOYD: I have a second. All
- in favor say aye.
- 12 (Ayes.)
- 13 CHAIRPERSON BOYD: Any opposed?
- 14 Thank you, Kristy, that was easy.
- 15 All right, item 7, possible approval of
- 16 Contract 160-01-001 Amendment 1, for \$74,308, to
- 17 extend the term and augment the Budget for our let
- 18 me just say Federal Relations consultant, Brian
- 19 Castelli. Ms. Cecile Martin.
- MS. MARTIN: Good morning. This is a
- one year extension of Brian Castelli's contract.
- 22 He served us for three years. The original
- 23 contract was competitively bid, but because the
- 24 State is discussing some kind of reorganization,
- 25 and we would normally go out for an additional

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1 three year contract, we thought it would be
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- 2 prudent to just go forward with the one year
- 3 extension until we have a better sense of what
- 4 kind services we will need in the future.
- 5 CHAIRPERSON BOYD: Very diplomatically
- 6 put. Thank you. We have this item before us.
- 7 COMMISSIONER PFANNENSTIEL: I'll move
- 8 the item.
- 9 (Thereupon, the motion was made.)
- 10 COMMISSIONER GEESMAN: Second.
- 11 (Thereupon, the motion was seconded.)
- 12 CHAIRPERSON BOYD: We have a motion and
- 13 a second.
- 14 All in favor aye?
- 15 (Ayes.)
- 16 CHAIRPERSON BOYD: Any opposed?
- No opposed. It carries three to
- 18 nothing. Thank you.
- 19 Item 8, Lawrence Berkeley National
- 20 Laboratory, possible approval of Contract 500-04-
- 21 005 for \$600,000 for research on residential
- ventilation technologies, etc. We have Martha
- 23 Brook.
- 24 MS. BROOK: Good morning. I am Martha
- 25 Brook with the PIER Buildings Program. This

1 proposed research along with the Wilcox Contract

- 2 that is the next item on the agenda, implements
- 3 the PIER Buildings Program Plan to fund research
- 4 and development to support the 2008 Title-24
- 5 Residential Building Energy Efficiency Standards.
- 6 This proposed contract with Lawrence
- 7 Berkeley National Laboratory will focus primarily
- 8 on residential ventilation standards. The
- 9 research will include the review of the National
- 10 Residential Ventilation Standards to understand
- 11 their applicability to California given our
- 12 building codes, our construction practices, and
- 13 our climate.
- 14 The work will recommend new residential
- 15 ventilation requirements for California, for our
- 16 Energy Efficiency Standards, and it will evaluate
- 17 available technologies and their ability to meet
- 18 these ventilation requirements.
- 19 Algorithms will be developed to model
- 20 the energy performance of ventilation technologies
- 21 and recommendations will be made for ventilation
- 22 technologies that are energy efficient and provide
- good indoor air quality.
- 24 This item has been reviewed and approved
- 25 by the R & D Committee, and I would be glad to

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1 answer any questions that you might have.
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- 2 CHAIRPERSON BOYD: Thank you. Any
- 3 questions or comments?
- 4 COMMISSIONER GEESMAN: I would move the
- 5 item, Mr. Chairman.
- 6 (Thereupon, the motion was made.)
- 7 COMMISSIONER PFANNENSTIEL: I'll second.
- 8 (Thereupon, the motion was seconded.)
- 9 CHAIRPERSON BOYD: A motion and a
- 10 second.
- 11 All in favor aye?
- 12 (Ayes.)
- 13 CHAIRPERSON BOYD: Any opposed?
- No opposed.
- The item carries three to nothing.
- 16 Thank you, and you want to continue with the next
- 17 item, Martha.
- 18 MS. BROOK: The PIER Buildings Program
- 19 has worked closely with the Commission's Title-24
- 20 program manager to identify specific research and
- 21 development project that would best support future
- 22 enhancements to California residential building
- 23 energy efficiency standards.
- 24 This proposed contract along with the
- one you just approved will gather information,

1 conduct analysis, and develop models that will be

- 2 used in the 2008 standards development processes.
- 3 This item has also been reviewed and
- 4 approved by the R & D Committee, and I would be
- 5 glad to answer any questions that you might have.
- 6 CHAIRPERSON BOYD: Thank you. I think I
- 7 should mention for the record, that this is
- 8 Contract 500-04-006 in the amount of \$965,053.
- 9 Any questions or comments from the Commission
- 10 members?
- 11 COMMISSIONER GEESMAN: Just to confirm,
- 12 the contract will have multiple people working on
- 13 this?
- MS. BROOK: That's right. Bruce Wilcox
- is the residential expert that the Standards
- 16 Office have used for many years, and he was found
- 17 under a solicitation process. He is going to be
- 18 hiring multiple researchers and conducting the
- 19 research in a team fashion.
- 20 COMMISSIONER GEESMAN: I'd move the
- 21 item.
- 22 (Thereupon, the motion was made.)
- 23 COMMISSIONER PFANNENSTIEL: I'll second.
- 24 CHAIRPERSON BOYD: We have a motion and
- 25 a second.

1 All in favor aye?

- 2 (Ayes.)
- 3 CHAIRPERSON BOYD: Any opposed?
- 4 None. It carries three to nothing.
- 5 Thank you, Martha.
- 6 Item 10, University of California Davis,
- 7 Office of the Chancellor For Research Sponsored
- 8 Programs. This is possible approval of contract
- 9 300-97-009 Amendment 8, for \$107,000 to add funds
- 10 and extend for one year the contract for a UC
- 11 Davis student interns to provide support for
- 12 electric, natural gas and petroleum forecasting,
- demand and infrastructure analysis. We have Mr.
- 14 Leigh Stamets.
- MR. STAMETS: Good morning. I am asking
- 16 your approval of this amendment to allow us to
- 17 continue to use UC Davis interns in support of our
- 18 analysis in the Efficiency and Demand Analysis
- 19 Division and also the Transportation Division.
- 20 This work supports analysis in the
- 21 electricity, natural gas, and petroleum sectors.
- 22 It allows us to take advantage of the latest
- 23 skills, especially in the graduate school at UC
- 24 Davis, and then also allows the interns and
- 25 students to apply their academic skills.

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1 Thank you.
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- 2 CHAIRPERSON BOYD: Thank you. Any
- 3 questions, comments?
- 4 COMMISSIONER GEESMAN: I move the item.
- 5 (Thereupon, the motion was made.)
- 6 COMMISSIONER PFANNENSTIEL: Second.
- 7 CHAIRPERSON BOYD: Motion and second.
- 8 All in favor aye?
- 9 (Ayes.)
- 10 CHAIRPERSON BOYD: No opposed. It
- 11 carries, Leigh, thank you very much. Even though
- I went to UC Berkeley, I can handle UC Davis too.
- The next item as I announced at the
- 14 beginning of the meeting would be item 19 or
- 15 listed as 19, California Independent System
- 16 Operator subpoena consideration and possible
- 17 adoption of a subpoena directing the CA ISO to
- 18 provide data relevant to issues associated with
- 19 the resource adequacy for the summer of 2005.
- 20 Caryn Holmes is presenting the item.
- 21 Ms. HOLMES: Thank you. What I just
- 22 handed out to you is very similar to what you
- 23 previously received in your agenda packages, but
- 24 as staff worked through the data identification
- 25 process, some of the specific descriptions of data

1 changed, so this is identical with the exception

- 2 of the fact that the items are worded a little bit
- 3 differently. One other change is that there is a
- 4 due date of three weeks rather than two weeks.
- 5 Let me step back to the beginning. This
- 6 is a third ISO subpoena that you have seen in the
- 7 last couple of months. We are working with the
- 8 ISO to perform various resource assessments
- 9 associated with the aging power plant as well as
- 10 some work that we are doing with the Joint Agency
- 11 Energy Action Committee.
- 12 This specific list of data is directed
- 13 at concerns that have been raised about resource
- 14 adequacy for the summer of 2005. The ISO has
- worked with the Energy Commission staff to develop
- 16 a list of data and they do not have any opposition
- 17 to granting the subpoena at this time.
- 18 CHAIRPERSON BOYD: Okay, thank you. I
- 19 am going to mention for the benefit of the
- 20 audience that to my knowledge and other
- 21 commissioners did receive an original version of
- 22 this item, so this is the first time that I know
- 23 Commissioner Pfannenstiel has seen the item, and I
- 24 am going to give her a minute to look at it.
- 25 Commissioner Geesman and I as the IEPR

- 1 Committee this morning got the benefit of a
- 2 discussion of this item, and so we are familiar
- 3 with the subject here, but Commissioner
- 4 Pfannenstiel may need a moment or so to study the
- 5 paper or maybe --
- 6 COMMISSIONER PFANNENSTIEL: This is
- 7 similar circumstance what we have seen before that
- 8 they can't provide the data unless we subpoena it,
- 9 and so we agree with them in advance on
- 10 specifically what we need?
- 11 MS. HOLMES: That's correct. Their FERC
- 12 approved tariff requires that they not release
- 13 certain data except in response to a subpoena or
- 14 an administrative order, so they have asked us to
- 15 request the information this way and the specific
- data items that are listed there, items 1 through
- 8, were developed jointly between the Energy
- 18 Commission staff and the ISO staff, and they have
- 19 approved that.
- 20 COMMISSIONER PFANNENSTIEL: Thank you.
- 21 CHAIRPERSON BOYD: Another friendly
- 22 subpoena to the CA ISO.
- MS. HOLMES: Thank goodness.
- 24 CHAIRPERSON BOYD: Yes.
- 25 COMMISSIONER GEESMAN: I move the item.

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1 (Thereupon, the motion was made.)
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- 2 COMMISSIONER PFANNENSTIEL: Second.
- 3 (Thereupon, the motion was seconded.)
- 4 CHAIRPERSON BOYD: It has been moved and
- 5 seconded. All in favor say aye.
- 6 (Ayes.)
- 7 CHAIRPERSON BOYD: None opposed. Thank
- 8 you, you have your subpoena.
- 9 MS. HOLMES: Thank you.
- 10 CHAIRPERSON BOYD: Oops.
- 11 MR. KELLY: Who do I give this to?
- 12 CHAIRPERSON BOYD: On this item?
- MR. KELLY: All right. We have a little
- 14 procedural faux pas. I guess I will formally
- 15 reopen the item because we have someone who would
- like to speak to the item, someone fairly familiar
- 17 to us, Mr. Kelly. Would you like to address the
- item, and we may have to table that vote.
- MR. KELLY: I'm always happy to stumble
- 20 by the Commission on a Wednesday morning to speak
- 21 to you. Thank you.
- I obviously was not aware of this issue,
- 23 it wasn't agendized, so I didn't come specifically
- 24 to speak to this, but now that I have read it, I
- 25 have some questions or comments on this.

1 Having spent at least a year and a half

- 2 working with the Commission on developing the
- 3 means by which generators submit data to the
- 4 Commission for purposes of your reporting which
- 5 included the IEPR, which includes confidentiality
- 6 provisions, which allow a generator to approach
- 7 the Commission in writing and make the case for
- 8 confidential treatment of individual generator
- 9 related data. We have an mechanism in place for
- 10 the Commission for that, and that has been in
- 11 place for a couple of years.
- 12 As I understand the subpoena, it is a
- 13 means by which the Commission can obtain data from
- 14 the ISO, not providing any opportunity for a
- 15 generator to seek confidential treatment of this.
- 16 It is not clear to me whether this information is
- 17 going to be treated confidentially or not, or how
- it is going to be integrated into your processes.
- 19 A lot of this information I would
- 20 venture to guess just reading the description of
- 21 it, may well be deemed in some other circumstance
- 22 as confidential because it has commercially
- 23 sensitive data.
- You scheduled generation, your actual
- 25 generation, your PMAX, all these services that you

1 provided and so forth have I believe probably some

- 2 proprietary context to them.
- 3 It is not clear to me how this subpoena
- 4 and your access of this information vis a vis the
- 5 subpoena from the ISO is going to be integrated
- 6 into the existing structure because I don't think
- 7 a generator is going to be able to come to you and
- 8 say wait a minute, we've got concerns about this.
- 9 CHAIRPERSON BOYD: Ms. Holmes, would you
- 10 like to address that since I know we discussed it
- 11 today?
- MS. HOLMES: Yeah. This process is
- 13 actually a little bit different from the Energy
- 14 Commission's typical process because we are
- issuing a subpoena to another entity rather than
- 16 asking for the information directly from
- 17 generators.
- The way the process works is that we
- 19 issue the subpoena and then we work with the ISO
- 20 to determine which information is confidential or
- 21 not. The ISO makes a preliminary call as to what
- 22 they think is or is not.
- 23 When they have received assurances from
- 24 the Energy Commission that what the ISO believes
- 25 is confidential, will be treated as confidential

1 by the Energy Commission, the ISO then issues what

- 2 they call a ten-day market notice to market
- 3 participants who have submitted this data to the
- 4 ISO and give them a chance to weigh in on whether
- 5 or not there are additional concerns about release
- 6 of the data.
- 7 My understanding from conversations with
- 8 the ISO is that there has not been a circumstance
- 9 in which a generator once provided with that
- 10 notice has had an objection to the ISO releasing
- 11 the information to the Energy Commission under
- 12 protection of confidentiality.
- 13 CHAIRPERSON BOYD: Mr. Kelly, does that
- 14 relieve your stress some what?
- MR. KELLY: I'm not certain. I don't
- 16 the historical pattern here. It is not clear to
- 17 me where the information asks in the past is
- 18 something that was deemed confidential so
- 19 generators might not have responded to the ISO's
- 20 notice.
- I am not that familiar with how the ISO
- 22 deals with that. I just have some concern here
- 23 that would be implementing a procedure that
- 24 hasn't, at least from the generator perspectives,
- 25 have not been fully understood or vetted to

1 determine whether or not this process is a

- 2 suitable means for conveying confidential
- 3 information to the Commission.
- 4 We are strong supporters of the
- 5 Commission engaging in the IEPR reports, so don't
- 6 get me wrong there, but we want to make sure that
- 7 is done in a manner in which truly confidential
- 8 information is held confidential and there is a
- 9 clear opportunity for generators to make that
- 10 case.
- 12 procedures. I don't know what happens when a
- generator objects to the ISO process or the ten
- 14 day notice. Is there a formal what are called
- 15 administrative hearing on that at the ISO like you
- 16 would have here at the Commission. Those are
- 17 unknowns to me.
- 18 Again, I apologize. I hadn't seen this
- until this morning, so I just don't know how that
- 20 all plays out.
- MS. HOLMES: Perhaps I can offer a
- 22 little bit of context. The Energy Commission has
- 23 collected information under two subpoenas that
- 24 were issued previously this summer. The majority
- 25 of that information was deemed confidential by the

1 ISO and by the Energy Commission. There were a

- 2 couple of items which were discovered to be
- 3 publicly available, and we no longer needed to
- 4 request them via subpoena.
- 5 My understanding, again, is that the
- 6 generators were all provided notice of the
- 7 subpoena and had a chance to raise concerns about
- 8 how confidentiality was being addressed by the ISO
- 9 and the CEC and that none did so.
- 10 MR. KELLY: Is this a matter that needs
- 11 to decided today? Is this a matter that can be
- 12 put over to the next business meeting so that I
- 13 can check with my members and check with the
- 14 processes at the ISO so that we can get some
- 15 comfort with this?
- MS. HOLMES: My understanding is that
- 17 the staff believes that it is important to have
- 18 the information as soon as possible. Because we
- do have to go through this process to assure that
- 20 confidential treatment is properly designated and
- 21 properly treated confidential, we need to have
- 22 lead time. That is why we are asking for it
- 23 today.
- 24 CHAIRPERSON BOYD: Mr. Therkelsen, did
- you have a comment on that, question?

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1 MR. THERKELSEN: No, I would just
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- 2 concurring with Caryn's statement, that basically
- 3 it is information that we need to move forward on.
- 4 There is the process that the ISO participates in
- 5 and we have used this before. The information is
- 6 of some urgency.
- 7 CHAIRPERSON BOYD: Mr. Harris, you've
- 8 submitted a card, did you want to address this
- 9 item as well? Steve, is this an appropriate time
- 10 to interrupt you with --
- 11 MR. KELLY: I'll stick around.
- MR. HARRIS: Thank you, Commissioner
- 13 Boyd. This may just be another case of Caryn
- 14 being smarter than me again. I'm not sure I
- understand the procedures and the process. I
- 16 think that is what Mr. Kelly is articulating, a
- 17 concern about how the information will be treated.
- 18 There has been a long process on that. Maybe
- 19 Caryn can answer the question. You said there is
- 20 a ten-day process. Nobody has objected in the
- 21 past. I guess two questions.
- Is that ten-day process specific to
- 23 subpoenas or is it just general information
- 24 requests?
- MS. HOLMES: My understanding is, I'm

1 relating to you what the ISO attorney has told me

- 2 is that when they receive confirmation from us,
- 3 that we will treat information confidential, that
- 4 the ISO believes is confidential. At that point,
- 5 they send out a ten-day notice to anybody who has
- 6 submitted the information and say we are planning
- 7 to release this to the Energy Commission pursuant
- 8 to the Energy Commission's subpoena, and they
- 9 attach the letters of confidential designation
- 10 signed by the Executive Director to that.
- 11 Those market participants then have ten
- days to object or raise any concerns. That has
- 13 not happened. We've gotten the information back
- 14 from the ISO and have treated it, as I said, the
- 15 information that was designated as confidential by
- 16 Mr. Therkelsen as confidential.
- 17 MR. HARRIS: That process definitely
- 18 applies in a subpoena situation?
- 19 MS. HOLMES: That is what the litigation
- 20 counsel for the ISO has told me.
- 21 COMMISSIONER GEESMAN: It is my
- 22 impression, Jeff, that this is the tariff
- 23 provision in the ISO's tariff of how to deal with
- 24 subpoenas received from a governmental agency so
- 25 that it is something that the ISO has been through

- 1 several times with us and I think a number of
- times with respect to other governmental agencies.
- 3 It is that process that Caryn is
- 4 describing and that we are relying on.
- 5 MR. HARRIS: I guess then the second
- 6 question I would have on that would be nobody has
- 7 objected in the past, but if they do object, what
- 8 is the process? Is it a FERC litigation appeal.
- 9 If one of the Steven's generators decides that
- 10 they think this particular information is
- 11 confidential, and I think what I have heard today
- here is that ISO makes a judgement on what they
- 13 believe receives confidential treatment. Being a
- 14 lawyer and always going to the dark place, what if
- 15 the generators in the ISO disagree on that? Is
- 16 there redress for the generator of FERC
- jurisdictional process to the tariff?
- 18 MS. HOLMES: I don't know the specific
- 19 answer to your question. I do know that when I
- 20 discussed this with the ISO earlier this year, he
- 21 indicated to me that the ISO would have to be
- 22 comfortable with all the confidentiality concerns
- 23 were resolved before they released the information
- 24 to the Energy Commission.
- 25 MR. HARRIS: So it may be a FERC

1 jurisdictional appeal then it sounds like, but we

- 2 don't know the answer to that.
- 3 COMMISSIONER GEESMAN: It is certainly
- 4 something that is governed under the ISO tariff,
- 5 and we never see the information until they have
- 6 willingly provided it to us.
- 7 MR. HARRIS: Obviously the basis of the
- 8 concern here is this Commission does an excellent
- 9 job of masking generator specific information,
- 10 which is really I think what the individual
- 11 generators care about. I haven't seen the revised
- 12 subpoena and the language that's there, but what I
- did see this morning in the back room, it looks to
- 14 be pretty much -- the other one was generator
- specific, so maybe we've changed that language.
- MS. HOLMES: What you have in front of
- 17 you is what was at the back of the room this
- 18 morning. I believe that a good deal of that
- information is going to be generation specific
- 20 data that will be entitled to automatic
- 21 confidentiality under the Commission's
- 22 regulations.
- 23 Unfortunately, we weren't able to
- 24 complete an evaluation of the confidentiality of
- 25 all of the data prior to the business meeting. I

1 agree with you that a good deal of that is going

- 2 to be generator specific information.
- 3 MR. HARRIS: Okay, and that's obviously
- 4 the concern that IEP has is that protecting the
- 5 individual generator's information, what might --
- 6 information about the individual generator might
- 7 not appear instantaneously to be competitively
- 8 sensitive, so again, maybe this is an issue of us
- 9 not understanding well enough about the process,
- 10 but we wanted to articulate our concerns.
- 11 COMMISSIONER GEESMAN: I think it has
- 12 come up fairly abruptly as concerns have arisen
- 13 about the situation next summer, and we and the
- 14 governor's office are attempting to get on top of
- that question from an informational standpoint.
- 16 That is why it has showed up on our agenda as
- 17 quickly as it has, and that is why I think we feel
- 18 the time pressure to move forward fairly quickly
- 19 as well.
- 20 CHAIRPERSON BOYD: I think the consensus
- of the Commissioners here is to agree with the
- 22 staff on the need to move on this. You raise good
- 23 points, we actually had some discussions like this
- 24 ourselves this morning. I think what I would like
- 25 to suggest in reference to Mr. Kelly's question

1 about whether we would put this off or not is to

- 2 say we would like to proceed on the action that we
- 3 have just taken that you continue a dialogue with
- 4 the staff on this issue, and I guess this is the
- 5 test case to watch this one move through the
- 6 process and assure yourselves and ourselves that
- 7 the confidentiality that you seek and that we are
- 8 interested in seeing occur, does take place in
- 9 this particular case.
- 10 My earlier reference to friendly
- 11 subpoena was our track record so far has been it's
- been I wouldn't say a no brainer, but it has been
- fairly smooth and "friendly" and you have heard
- 14 the genesis of concern the ISO itself has caused a
- 15 lot of concern of late with regard to what the
- 16 future might look like. So, I think it is in our
- 17 collective interest to get on top of that.
- 18 Hopefully, you can see our need for having to move
- 19 this along, and you can in a friendly manner,
- therefore, watch the process.
- 21 It sounds to me like it is fairly tight.
- 22 If you really did receive -- when you get your ten
- 23 day notice and observe some concern, it sounds
- 24 like the ISO is quite capable of holding the
- 25 information until the issue is resolved. If the

- 1 issue is not resolved, we don't see the
- 2 information quite possibly.
- 3 Mr. Kelly.
- 4 MR. KELLY: Two comments. Because I
- 5 share with you the interest in the concern for
- 6 next summer and the study work that needs to be
- 7 done to clarify resource adequacy for next year.
- 8 So, recognize that.
- 9 One, is this subpoena only applicable
- 10 for a twelve month period so it only applies to
- 11 next year? I mean once this authority is granted,
- does this persist for the next ten to fifteen
- 13 years when there is no longer a crisis next
- 14 summer. That is the one question.
- The second observation is I think it
- 16 would be helpful if staff can work with the ISO
- 17 staff when they release their notice to the market
- 18 place about what's going on, to have a full
- 19 description because I have this concern that
- 20 generators won't understand that they may well be
- 21 seating some protections that had work strong with
- your staff years ago to create for them because it
- 23 will come out at the ISO as an administrative
- 24 subpoena that we have no choice to answer. You
- 25 know it is kind of like the FERC subpoenas and

- 1 everybody just sits back and let's it happen
- 2 because they don't understand what is going on.
- 3 Quite frankly, I don't really understand
- 4 either at this point. It is just one reason that
- 5 I'd ask for a little continuance here. When that
- 6 notice goes out from the ISO just as it goes out
- 7 with all their FERC related subpoenas, the market
- 8 participants will probably stay silent as they
- 9 have in the past. They may not fully understand
- 10 that there could be a change in the confidential
- 11 treatment or the rights vis a vis the confidential
- 12 data that they have.
- 13 CHAIRPERSON BOYD: Mr. Kelly, do you
- 14 really think that will happen because as a result
- of your concerns and issues today, and I am sure
- 16 your organization will be alerting its membership
- 17 to this issue --
- 18 MR. KELLY: Undoubtedly that will occur,
- 19 but there are some wayward generators out there
- 20 who are not in my association.
- 21 COMMISSIONER GEESMAN: I think it is
- 22 important to point out, Steve, that if you look at
- 23 the last full paragraph on page one from the
- 24 bottom of the page, it says, "The data needed by
- 25 the Energy Commission consists of the following

1 specific information from 2003 to the most recent

- date available as well as updates to these data on
- 3 a monthly basis for the next year." I am going to
- 4 guess your members have not seen a prospective
- 5 request like that previously coming through this
- 6 process? Otherwise, we are attempting to follow
- 7 the existing process that has been established
- 8 both here and under the ISO's tariff.
- 9 MS. HOLMES: I'd just like to add one
- 10 more piece of information for context. That is
- that in response to the previous two subpoenas,
- 12 the ISO has submitted letters to us claiming that
- 13 all of the information that the Energy Commission
- 14 has requested is confidential and they won't
- 15 initiate market notice until we agree to that
- information being treated as confidential
- 17 information.
- 18 Subsequently, we have discovered that
- 19 not an insignificant part of that information has
- 20 already been deemed publicly available, and when
- 21 we have pointed that out to the ISO, we have
- informed them that we don't need to follow up on
- 23 the subpoena anymore with respect to those items
- 24 because they are publicly available.
- 25 So, to the extent that your concern is

1 that the ISO is going to be left protective of

- 2 data, then the Energy Commission, that is
- 3 something we simply haven't seen so far in this
- 4 process.
- 5 MR. HARRIS: Commissioner, could I offer
- 6 an observation and then ask a question about the
- 7 process?
- 8 CHAIRPERSON BOYD: Certainly.
- 9 MR. HARRIS: The observation is that
- 10 your legal team is outstanding. Maybe this is
- 11 understood, but would the Commission approval be
- 12 subject to allowing your legal team to slightly
- 13 modify as necessary to make sure that the scope of
- 14 the request is consistent with your authorities
- and your protection for confidential information?
- In other words, if they find something
- 17 between now and the issuance of the subpoena that
- 18 makes them want to re-craft their language, do
- 19 they have the authority to do that?
- MS. HOLMES: This is the subpoena, and
- 21 we are asking specifically, staff is asking
- 22 specifically that the Commission adopt this list
- 23 of information that was developed jointly by the
- 24 ISO and the Energy Commission staff. We don't
- 25 anticipate the need given the fact that we have

1 had that cooperation with the ISO staff, we do not

- 2 anticipate the need to modify that list of
- 3 information.
- We had hoped to be able to address the
- 5 confidentiality concerns expressly in the
- 6 subpoena. Given the relatively short time frame
- 7 that we had to request the data, we weren't able
- 8 to do so. That will happen through a series of
- 9 letters that are publicly available between us and
- 10 the ISO. Does that help?
- MR. HARRIS: Let me say one thing. We
- 12 have had a year long process of data collections.
- 13 We've been very cooperative, like I said. We see
- 14 that continuing forward. I think I can count the
- votes today as well, and so what we are looking
- 16 for more than anything else is the ability to go
- 17 back, let Steven talk to his membership, and maybe
- 18 even some wayward generators. Let them understand
- 19 what the scope of the request is and just get
- 20 comfortable with what you are seeking. I think
- 21 that really is what we are down to at this point.
- 22 CHAIRPERSON BOYD: Let's make sure that
- 23 it is not interpreted that this was a vote against
- 24 you because this discussion occurred after the
- 25 action had been taken. You bring very legitimate

1 concerns, and I think you have heard expressions

- of urgency on our part in terms of need for data,
- 3 but you have also hear expressed repeatedly a
- 4 concern for protecting the confidentiality. Based
- 5 on the track record that you make reference to, I
- 6 think you would see that we are thinking of your
- 7 best interests.
- 8 I think it is our desire to just to
- 9 continue with this and have a very close liaison
- 10 between you, your membership, the wayward
- 11 generators if we can identify them, and the staff
- 12 in resolving this issue.
- 13 COMMISSIONER GEESMAN: And the ISO.
- 14 CHAIRPERSON BOYD: And of course the
- 15 ISO.
- MR. KELLY: I do think I'll vote. I
- 17 appreciate your comments --
- 18 CHAIRPERSON BOYD: I don't want you to
- 19 go back and tell your membership we lost the vote
- 20 because that issue wasn't there. We truly aren't
- 21 reversing our vote either. So, we want to take
- the trust that we gained over a number of years,
- 23 and put a heavy chid with regard to this one item
- 24 and see if it proceeds as seemlessly as everything
- 25 else has in the past such that you don't feel

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1 violated in any way which is of course not our
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- 2 intent, nor the ISO's intent. It sounds like they
- 3 are extremely protective.
- 4 MR. KELLY: Thank you for your time.
- 5 MR. HARRIS: Thank you.
- 6 CHAIRPERSON BOYD: If it doesn't work, I
- 7 know we will hear from you about it in the future.
- 8 MR. KELLY: It will go somewhere, yes.
- 9 CHAIRPERSON BOYD: Thank you, Ms.
- 10 Holmes.
- Dare I move forward? Okay, the next
- item on the agenda is the approval of minutes. We
- have the minutes of the meeting of September 22
- 14 before us.
- 15 COMMISSIONER GEESMAN: So moved.
- 16 (Thereupon, the motion was made.)
- 17 COMMISSIONER PFANNENSTIEL: Second.
- 18 (Thereupon, the motion was seconded.)
- 19 CHAIRPERSON BOYD: We have a double
- 20 motion and a second here. All in favor say aye.
- 21 (Ayes.)
- 22 CHAIRPERSON BOYD: None opposed.
- The minutes are approved.
- 24 Item 12, Commission Committee and
- Oversight. Any comments or any items under this

- 1 agenda item?
- 2 (No response.)
- 3 CHAIRPERSON BOYD: Hearing nothing, I'll
- 4 move on to Chief Counsel's Report. Mr.
- 5 Chamberlain.
- 6 MR. CHAMBERLAIN: Thank you, Mr.
- 7 Chairman. I just wanted to announce to the
- 8 Commission that the Commission's appeal in the
- 9 Ninth Circuit Court of Appeal from the judgement
- of the Federal District Court here in Sacramento
- 11 preempting certain portions of the Commission's
- 12 compliance efficiency regulations on or ruling
- 13 them invalid on ground that they are preempted by
- 14 federal law has been scheduled for oral argument
- in the Ninth Circuit Court of Appeals on November
- 16 1. We will report back to you after that event
- 17 and let you know.
- 18 CHAIRPERSON BOYD: Very good, and good
- 19 luck. Nothing else, Mr. Chamberlain?
- MR. CHAMBERLAIN: (Inaudible.)
- 21 CHAIRPERSON BOYD: Thank you. The
- 22 Legislative Director has left, so we will scratch
- 23 that item. I have just reversed the order here.
- 24 I am just trying to go up the pecking order. I'd
- 25 like to hear from the Executive Director now if he

- 1 has anything to add.
- 2 MR. THERKELSEN: Good morning,
- 3 Commissioners. Actually, the Legislative Director
- 4 is out putting together legislative concepts which
- 5 are to be submitted to resources agency yesterday.
- In terms of last week, I was at a
- 7 meeting of the National Association of State and
- 8 Energy Offices. Bill Keese, as you know, has been
- 9 the past chairman and is currently on the Board of
- 10 that organization.
- 11 Previously, NASEO has focused on energy
- 12 efficiency programs to a great extent to a lesser
- 13 extent on R & D activities. In fact Claudia
- 14 Orlando from our organization from there and made
- a presentation on our school efficiency program
- 16 and did a very good job on that.
- 17 There is new leadership at NASEO now and
- 18 they are looking at the possibility of changing
- some of the focus of that organization to broaden
- 20 it to energy policy issues that are of greater
- 21 importance to the states, and I was involved in a
- 22 number of discussions along that line.
- 23 Hopefully, the role that NASEO plays in
- our ability to work with that organization to
- 25 frankly join in partnerships with other states to

1 push things that are of a common interest to the

- 2 state agencies that may not being pursued by the
- 3 federal government, for example, efficiency
- 4 waivers or climate change, or concerns about
- 5 transmission or natural gas supply is something
- 6 that organization will be more involved in in the
- 7 future.
- 8 With that in mind, I am going to
- 9 continue to be involved to some degree with NASEO
- 10 as they figure out what direction they want to go
- and also then figure out what involvement I think
- 12 the Energy Commission should have and give my
- 13 recommendations to you on that in the future.
- 14 That is all I have to report on at the
- 15 moment.
- 16 CHAIRPERSON BOYD: Thank you. With
- 17 that, anything from the Public Advisors Office?
- 18 MR. BARTSCH: Mr. Chairman, Nick Bartsch
- 19 representing (inaudible), I have nothing to
- 20 report.
- 21 CHAIRPERSON BOYD: Thank you. We come
- 22 to the item for any public comment. Is there
- 23 anyone out there who would like to address a
- 24 subject?
- 25 (No response.)

1	CHAIRPERSON BOYD: Let the record show
2	there is no public. Okay, thank you very much.
3	This meeting is adjourned.
4	(Thereupon, the business meeting was
5	adjourned.)
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CERTIFICATE OF REPORTER

I, PETER PETTY, an Electronic Reporter, do hereby certify that I am a disinterested person herein; that I recorded the foregoing California energy Commission business meeting; that it was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said business meeting, nor in any way interested in outcome of said matter.

IN WITNESS WHEREOF, I have hereunto set my hand this October 15, 2004.